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10 December 1956

MEMORANDUM FOR THE RECORD:

FROM: Chief, Technical Accounting Staff,
Office of the Comptroller

SUBJECT: Observation of RAMAC at Naval Supply Center, Norfolk, Virginia

1. On 19 November 1956, the writer visited the Naval Supply Center to review an experimental installation of IBM's Random Access Memory Accounting Machine (RAMAC). A supply accounting experiment was being performed on the machine at the time.

2. The Supply Center personnel advised that the experimental model RAMAC was under rental by the Navy at a cost of \$3,200 per month and had been available for approximately four months at the time of the visit. In anticipation of delivery of the machine the Naval Supply Center in November 1955 assigned nine planners and programmers to the task of developing programs for the machine, and programs had been developed at the time of our visit for several separate installations, including four inventory operations and a payroll operation.

3. The machine available at the Supply Center has a punch card input and typewriter, printer and punch card outputs. The storage disks have a capacity of five million characters of information which is sufficient in an inventory-type installation to accommodate 50,000 line items with 100 characters each. In order to utilize the machine for more than one program, such as for inventory and payroll, which would require clearance of stored data from the disks, approximately 25 hours of running time is needed to convert the data to punch cards which can again (in another 25 hours) be stored back into the machine for further processing. This compares with only 1/2 hour which would be required with tape attachments for input and output; however, an estimated additional rental of \$10,000 per month would be required for such attachments which in effect involves a 605 - RAMAC combination.

4. At the time of the visit an initial inventory for some 12,000 line items had been inserted in the storage disks and issue transactions were being processed. The machine had been programmed for processing inventory receipts but some additional machine devices were required before such transactions could be introduced into the operation. The activity represents only a small sample of the general stores at the Supply Center which involves some 450,000 separate line items and obviously could not be processed on the present machine with its limited capacity. The Supply Center would require additional RAMAC storage units

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which may become available and restrict the use of RAMAC to active stock items by some combination of the RAMAC with other available machine methods.

5. One particularly desirable feature of the RAMAC is the fact that transactions can be processed into the machine in strictly random order thus permitting all storage information to be kept current at all times. At any time the machine can be questioned through a typewriter keyboard and typewriter printer concerning the status of any stored item and instantaneously the full data relative thereto is printed on the typewriter attachment. This device would be particularly useful in any operation where up-to-the-minute status of accounts information may be required, such as inventory, accounts receivable, accounts payable, etc.

6. The attached leaflet dated 15 November 1956 released to viewers of the RAMAC by the Supply Center provides further information relative to the present experimental installation.

7. Also from the Agency on the inspection were Messrs. [redacted] from Management, [redacted] from Logistics, [redacted] from Machine Records Division, and [redacted] from Personnel. 25X1A9a 25X1A9a 25X1A9a

8. I am informed by Mr. [redacted] of MRD that a letter of intent has been issued to IBM for installation of a RAMAC in MRD; however, this does not represent a firm obligation of the Agency for rental or purchase when the RAMAC is available which would be approximately 12 to 18 months from date of the letter, 25 September 1956. A study as to the feasibility of the Agency converting its tabulating operations so as to utilize this machine should be made at an early date.

[redacted] 25X1A9a

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